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RUEHLM/AMEMBASSY COLOMBO 7915
RUEHGO/AMEMBASSY RANGOON 2542
RUEHCI/AMCONSUL CALCUTTA
RUEKJCS/SECDEF WASHINGTON DC//ISA/NESA
RUEKDIA/JOINT STAFF WASHINGTON DC//J2/J5
RHHMUNA/CDR USPACOM HONOLULU HI//J2/J4/J5

UNCLAS SECTION 01 OF 03 DHAKA 000743

SIPDIS

SENSITIVE
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DEPARTMENT PLEASE PASS TO AIAG/HOLLIS SUMMERS, AIAG/TONY NEWTON AND AIAG/NICHOLAS STUDZINSKI
DELHI PLEASE PASS TO FAS/OLIVER FLAKE

E.O. 12958: N/A
TAGS: TBIO KFLU PREL PGOV BG
SUBJECT: TRIP REPORT OF VISIT TO POULTRY FARMS IN SAVAR

REF: (A) DHAKA 730, (B) DHAKA 626, (C) DHAKA 569, (D) DHAKA 533, AND

PREVIOUS

¶1. (SBU) SUMMARY. On May 2, Econoff visited two poultry farms in the Ashulia area of Savar district north of Dhaka. Both farms had their entire stocks of egg-laying chickens culled due to H5N1 in late March or early April. The two farms demonstrated widely different levels of preparation and sophistication, but both are now facing serious economic consequences after losing all of their chickens. The economic impact of the outbreak is creating distorting market effects, which in turn may create additional potential health hazards, but the biggest hazard remains the economic threat to the livelihood of millions of poultry workers if a compensation plan is not enacted soon to ensure that culled stocks can be replaced by those with the least economic resources to restock themselves. END SUMMARY.

¶2. (SBU) LORAPUR FARM. Ministry of Fisheries and Livestock officials provided Econoff with the name and address of Lorapur Farm in Ashulia, Savar, and its owner, Mr. Md. Nadim "Nick" Chowdhury. The farm started operation in October 2006 and employs 20 people. It had approximately 9,500 W36 breed layer chickens bought from the US and production was around 9,000 eggs per day. Econoff saw what appeared to be a well-planned and executed facility with effective restrictions on vehicle access and decontamination equipment evident. The layout of the farm is two stand-alone coops and one large coop separated into three chambers for a total of five distinct flocks. The coop buildings seem well constructed, with concrete disinfection footbaths built into the stairs at each coop's doorway. The gap between the wire mesh walls and the roof was plugged to prevent wild birds from entering. Employees demonstrated their cotton masks, caps, and gowns worn around the chicken coops, each stenciled with their names. The owner described a bonus system rewarding both production and biosafety, ensuring that the workers wore their protective equipment and observed good biosafety practices. Even with all the coops empty due to culling a month before, employees still wore their masks in the coop area to reinforce good habits.

¶3. (SBU) PROBLEMS BEGIN. In mid-February, the farm had an outbreak of worms followed by cases of Salmonella. The owner blames contaminated locally purchased feed, claiming everything else was tightly controlled except the feed in which he claims to have found cigarette butts, wires, and rat feces. By late March, one of the three attached coops began having sudden die offs of up to 200

birds, but with no visual symptoms of H5N1. The owner suspected Newcastle disease, fowl cholera, or fowl pest, because egg production did not decrease when corrected for flock deaths. The die offs were not back-to-back, either; there would be a die off, then a lull, and then the cycle would repeat. He began treatment for Newcastle disease. [NOTE: Contrary to the owner's suspicions, HPAI is not inconsistent with these observations. END NOTE.]

¶4. (SBU) H5N1 DETERMINATION. Chowdhury sent samples on his own to the Bangladesh Livestock Research Institute (BLRI) on April 6 for analysis after necropsy of several of the chickens from die offs showed none of the physical signs/symptoms of H5N1 highly pathogenic avian influenza (HPAI): internal organs were normal, throats had some mucus but nothing approaching the full blockage associated with HPAI, and there was no discoloration of combs or wattles. BLRI returned a finding of QH5N1Q the same day. The Army showed up with guns drawn, and a written order was faxed later that same day, followed by a team to cull the flock. The owner still seriously doubts that his flock was infected with H5N1. A month later, he still has not been provided with written official results and claims the Ministry will only tell him that "his two samples came back positive." The owner admits to having had previous negative personal experiences with BLRI unrelated to avian influenza, and made allegations of attempted solicitation of bribery for favorable results.

¶5. (SBU) BHUIYA FARM. To view farms that had not been given advance notice, Econoff asked the owner of Lorapur Farm to introduce him to other neighboring farms. They went together to Bhuiya Farm approximately two kilometers away which had 2,500 layer chickens, had been in operation for eight years, and employed five or six workers. Their breed was also W36 layers, but their stock was from a local hatchery farm. Bhuiya was considerably less modern than Lorapur. The coops' mesh was much wider and there were large gaps

where it met the roof. The coops were empty of chickens and the doors closed, but Econoff observed wild birds flying in and out of one of the coops. Backyard poultry was also present in the area at all times during the visit; when asked, the workers and their families from the small rural community surrounding the coops said no efforts had been made to kill any of the backyard poultry. Also noted were cattle within ten meters of the empty coops.

¶6. (SBU) DIE OFFS AND H5N1. Bhuiya started having sudden die offs of 100 or 200 birds at a time in mid-March, accompanied by decline in egg production. Their first thought was Newcastle disease, and they began treatment accordingly. They sent two samples to BLRI, which came back positive for H5N1. Culling at this facility was accomplished by the workers using "sacks of powdered CO2 to suffocate the birds." The GOB provided disinfectant spray to the farm and a seven day supply of Osiflu to each of the employees. [NOTE. Osiflu is the locally produced Tamiflu equivalent. END NOTE.] A Ministry of Health official examined the workers at that time, but no follow up exam was done; the workers were simply told to contact local health authorities if anyone had problems. The army was present during the culling, but only in the distance cordoning off the area.

¶7. (SBU) COMPENSATION IS CRITICAL. Bhuiya and other small farms face serious financial problems following culling. They would like to restock after the three month post-culling waiting period, but financially may not be able to do so without a compensation plan for their lost stock. Media continues to report that poultry farmers will receive compensation for culled birds, will receive replacement birds, feed, and medicines at no charge, and that commercial lenders have agreed to soften loan terms and issue new loans. Chowdhury from Lorapur farm sits on the joint industry / government committee on compensation and confirms that while these issues are under discussion, nothing has been decided as yet. He reports that the following sectors are represented on the committee: Layers/Eggs, Hatcheries, Veterinary Pharmaceuticals, and the Poultry Association; the Feed Association was invited, but due to questions about adulterated feed is not participating at this time.

¶8. (SBU) INDUSTRY ECONOMICS: EGGS. Chowdhury also says that since

late March, egg prices paid by wholesalers to farmers have decreased from 3.73 taka per egg to 2.50 taka per egg, which is below the farmer's cost to produce. The prices between wholesaler and retailer have not changed, however, possibly due to pre-existing contracts. Therefore, the wholesalers are reportedly making substantial additional profits.

¶9. (SBU) INDUSTRY ECONOMICS: CHICKS. Chowdhury reports that in Bangladesh day old chicks cost 40 Q 45 taka each, whereas the same chicks cost around 6-10 taka each in India. This sets up a strong incentive to procure them from across the border, possibly bypassing import restrictions. The cost to the hatchery is about the same, but with little competition in Bangladesh and no organization among the buyers, the price is artificially high resulting in huge profits for the hatcheries. One worrying element is that in culled area, farms are not buying day old chicks, since they cannot restock for three months. In those areas the price has decreased slightly, resulting in overcrowding by some farms which were not culled but which are cashing in on cheap prices, putting 3,000 chicks in a coop designed for 1,000. This overcrowding can be a significant factor towards the spread of multiple diseases.

¶10. (SBU) EPIDIMIOLOGICAL INFORMATION. Both farms bought feed from THE same company, AIT Feed Mill, and both were treating for Newcastle disease when BLRI tested their samples. When Econoff asked if anyone from the government took down epidemiological information like this, both agreed it was very important and were sure that someone probably did, but were not able to provide specifics of who, when, or how that information would have been captured.

¶11. (SBU) COMMENT. The field visit demonstrated that even among two farms as different as these, compensation is a critical issue for both. It also showed a wide variety in responses by the GOB; for example, at Lorapur both a rapid (if untrained in HPAI procedures) military response and a reportedly professional veterinary response, while at Bhuiya, a less meticulous response had the workers doing the culling where there may actually be a higher risk with coops, country fowl, and other livestock in close proximity to a rural

community.

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